



GSA Schedule Contract:

GS-23F-0124L

GENERAL SERVICES ADMINISTRATION

Federal Supply Service

Authorized Federal Supply Schedule Price List

On-line access to contract ordering information, terms and conditions, up-to-date pricing, and the option to create an electronic delivery order are available through GSA *Advantage!*, a menu-driven database system. The INTERNET address for GSA *Advantage!* is: GSAAAdvantage.gov.

Schedule Title: **Professional Engineering Services**

FSC Group: **871**

Contract Number: **GS-23F- 0124L**

For more information on ordering from Federal Supply Schedules click on the FSS Schedules at fss.gsa.gov.

Contract Period: March 1, 2001 to February 28, 2016

Contractor Name: a.i. solutions, Inc.

Address: 10001 Derekwood Lane

Suite 215

Lanham, MD 20706

Phone Number: (301) 306-1756

Fax Number: (301) 306-1754

Web site: www.ai-solutions.com

Contact for contract administration:

Walter Hamlin Jr.

Director of Contracts

walter.hamlin@ai-solutions.com

Phone: (301) 306-1756, ext. 166

Business size: **Small Business under SIC 8731 / NAICS 541330, 541712**

Prices Shown Herein are Net (discount deducted)

Date: February 28, 2011

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Customer Information

- 1a. This contract covers Special Item Numbers 871-1 through 871-6
871-1RC Strategic Planning for Technology Programs/Activities
871-2RC Concept Development and Requirements Analysis
871-3RC System Design, Engineering and Integration
871-4RC Test and Evaluation
871-5RC Integrated Logistics Support
871-6RC Acquisition and Life Cycle Management

Disciplines: Mechanical
- 1b. **Please see Table 2 for Labor Rates by category for each contract year.**
- 1c. Descriptions of labor categories are provided in summary form in Table 3. More detailed text descriptions of the labor categories follow Table 3.

Note: The same prices and labor categories apply for all SINS (871-1 thru 871-6). Non-Manufacturing Rates are listed. As shown in Table 2, annual escalation rates are applied to this contract.
2. Maximum order: \$750,000.
3. Minimum order: \$100.



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4. Geographic coverage: Domestic locations
5. Point(s) of production: Lanham, Prince George's County, Maryland, unless otherwise noted)
6. Discount from list prices or statement of net price: To be negotiated at the task order level.
7. Quantity discounts: Not applicable
8. Prompt payment terms: 1% 10 days Net 30 days
- 9a. Notification that Government purchase cards are accepted at or below the micro-purchase threshold.: Yes
- 9b. Notification whether Government purchase cards are accepted or not accepted above the micro-purchase threshold.: Yes
10. Foreign items: Not applicable.
- 11a. Time of delivery: To be negotiated at the task order level.
- 11b. Expedited delivery: To be negotiated at the task order level.
- 11c. Overnight and 2-day delivery: Not applicable.
- 11d. Urgent requirements: See contract clause I-FSS-14-B. Agencies can contact the contact for contract administration to obtain faster delivery.
12. F.O.B. point(s): Destination.
- 13a. Ordering address:
Please send orders to:
a.i. solutions, Inc. Attention: Walter Hamlin Jr., Contracting Officer
10001 Derekwood Lane
Suite 215
Lanham, MD 20706
Phone: 301-306-1756, ext. 166 Fax: 301-306-1754
Email: walter.hamlin@ai-solutions.com
- 13b. Ordering procedures: For supplies and services, the ordering procedures, information on blanket purchase agreements (BPA's), and a sample BPA can be found at the GSA/FSS schedule homepage (fss.gsa.gov/schedules).

14. Payment address:
Please make payment to:
a.i. solutions, Inc. 10001 Derekwood Lane
Suite 215
Lanham, MD 20706
15. Warranty provision: Not applicable
16. Export packing charges: Not applicable.
17. Terms and conditions of Government purchase card acceptance: (any thresholds above the micro-purchase level). (Contractor may indicate Not applicable or state any other conditions)
18. Terms and conditions of rental maintenance, and repair – Not applicable.
19. Terms and conditions of installation – Not applicable.
20. Terms and conditions of repair parts – Not applicable.
- 20a. Terms and conditions for any other services – Not applicable.
21. List of service and distribution points – Not applicable
22. List of participating dealers – Not applicable
23. Preventative maintenance – Not applicable.
- 24a. Special attributes such as environmental attributes: Not applicable.
- 24b. Section 508 compliance information is available on Electronic and Information technology (EIT) supplies and services and show where full details can be found (e.g. contractor's website or other location.) The EIT standards can be found at www.Section508.gov/.
25. Data Universal Number System (DUNS) number: **015397631**
26. Notification regarding registration in Central Contractor Registration (CCR) database: a.i. solutions, Inc. is Registered in CCR, and Registration is valid to 05/26/2011

Special Notice to Agencies

Small Business Participation

SBA strongly supports the participation of small business concerns in the Federal Supply Schedules Program. To enhance Small Business Participation SBA policy allows agencies to include in their procurement base and goals, the dollar value of orders expected to be placed against the Federal Supply Schedules, and to report accomplishments against these goals.

For orders exceeding the micropurchase threshold, FAR 8.404 requires agencies to consider the catalogs/pricelists of at least three schedule contractors or consider reasonably available information by using the GSA Advantage on-line shopping service (<http://www.fss.gsa.gov/>). The catalogs/pricelists, GSA Advantage and the Federal Supply Service Home Page (<http://www.fss.gsa.gov/>) contain information on a broad array of products and services offered by small business concerns.

This information should be used as a tool to assist ordering activities in meeting or exceeding established small business goals. It should also be used as a tool to assist in including small, small disadvantaged, and women-owned small businesses among those considered when selecting price lists for a best value determination.

For orders exceeding the micropurchase threshold, customers are to give preference to small business concerns when two or more items at the same delivered price will satisfy their requirement.

a.i. solutions Corporate Experience and Capabilities

a.i. solutions, Inc. is an aerospace products and engineering services company dedicated to providing engineering solutions to solve challenging problems and reduce space mission costs. The company's premier product FreeFlyer® is a powerful space mission analysis and orbit control automation tool that is currently revolutionizing satellite control and operations at NASA's Goddard Space Flight Center. Other customers of **a.i. solutions** include The Boeing Company, Orbital Sciences Corporation, Lockheed Martin, Spectrum Astro, United States Naval Academy, Swales Aerospace, and the Computer Sciences Corporation.

a.i. solutions has an impressive history of providing exceptional products and services to our commercial and Government customers. Our staff has supported over 50 successful missions from concept development through end-of-life disposal. For every customer, a.i. solutions has established a reputation for integrity, excellence, and responsiveness. The heart of our business is providing aerospace ground and flight and systems engineering, design, and analysis services. a.i. solutions, in the last four years, has also become a producer of FreeFlyer®, a powerful orbital dynamics software system. Large system developments include the control system for the EO-1 spacecraft and the flight dynamics systems for Terra and Aqua. Our technical staff are experts in aerospace systems, subsystems, and operations, with experience across the full spacecraft life-cycle. Our typical products and services, sorted by competency, are summarized in Table 1.

In 1999 a.i. solutions received the prestigious Small Business of the Year award from Boeing, which added to the 70 plus awards the company and our staff have received from Federal and State Government organizations and large businesses.

a.i. solutions' primary engineering services customers include NASA, the Department of Defense, university space research programs, and many large aerospace industry contractors. The majority of our work is performed under multiple task order contracts, with orders ranging in size from \$500 to over \$2 million. Our largest contract, supporting NASA/Goddard Space Flight Center, currently includes the support of over 10 satellite missions (e.g. Landsat, Terra, Aqua, MMS, etc.). Our corporate headquarters are in Lanham, Maryland.

TABLE 1: COMPETENCIES AND TYPICAL PRODUCTS/SERVICES

Core Competency	Typical a.i. solutions Aerospace Products/Services	SIN 871-1	SIN 871-2	SIN 871-3	SIN 871-4
Program/ Project Management	Project planning, budgeting, cost analysis, scheduling, configuration management, system safety, quality control, logistics planning, project reviews.	✓	✓	✓	✓
Mission Systems Engineering	Mission planning, operations procedures development/simulation, link studies, coordination with end-users, science ops planning.	✓	✓	✓	✓
Flight Systems Engineering	Conceptual design, feasibility studies, design reviews, margin/budget management, specification development/review, interface definition/control, and technology validation.	✓	✓	✓	✓
Multi-disciplinary Analysis	Application of a comprehensive suite of modeling, design, simulation, and analysis tools, including trajectory design, orbital analysis, artificial intelligence and in-house development of analysis tools.	✓	✓	✓	
Guidance, Navigation & Control	Design, analysis, orbit maneuvers, orbit and attitude determination and estimation, ACS simulations, multi-body dynamics analyses and simulations, including separation mechanism kinematics, software specifications and interfaces, GN&C algorithm development, technical monitoring and test support.	✓	✓	✓	✓
Integration & Test	Validation of flight dynamics systems for ground and flight applications			✓	✓
Mission Operations	Spacecraft flight operations, anomaly investigation and resolution, procedures development, operation of Remote Operations Development Lab for training and full simulation of flight operations		✓	✓	✓

Rates by Labor Category

TABLE 2: LABOR RATES APPLICABLE TO ALL SPECIAL ITEM NUMBERS (SINS)

Award Hourly Rates:

Labor Category	Year 6 3/1/2011	Year 7 3/1/2012	Year 8 3/1/2013	Year 9 3/1/2014	Year 10 3/1/2015
	2/29/2012	2/28/2013	2/28/2014	2/28/15	2/28/2016
Manager	\$ 169.73	\$ 175.16	\$ 180.76	\$ 186.55	\$ 192.52
Project Manager	\$ 133.85	\$ 138.13	\$ 142.55	\$ 147.11	\$ 151.82
Consulting Engineer	\$ 185.87	\$ 191.82	\$ 197.95	\$ 204.29	\$ 210.83
Business Specialist II	\$ 133.31	\$ 137.57	\$ 141.98	\$ 146.52	\$ 151.21
Business Specialist I	\$ 81.71	\$ 84.32	\$ 87.02	\$ 89.81	\$ 92.68
Senior Engineer	\$ 110.88	\$ 114.42	\$ 118.09	\$ 121.86	\$ 125.76
Junior Engineer	\$ 77.79	\$ 80.28	\$ 82.85	\$ 85.50	\$ 88.24
Technician	\$ 73.24	\$ 75.58	\$ 78.00	\$ 80.50	\$ 83.07

Engineering Services Labor Category Descriptions

Engineering services are performed by degreed engineers and other professionals (designer/analysts), supported by assistants/operators, with categories as shown in Table 3. Non-manufacturing engineering services are performed either at a.i. solutions' facilities or at customer facilities. As such, infrastructure support for these categories generally includes basic office space, furnishings, and equipment. Desktop computers and engineering workstations, and related general purpose and engineering software, are provided and charged separately at a fixed hourly rate per hour of actual computer use. Incidental use of some laboratory facilities is also included at no additional charge.

TABLE 3: NON-MANUFACTURING LABOR CATEGORY SUMMARY

Engineering and Technical Services (non-manufacturing)

Labor Category Title	Minimum Quads Educ / Yrs.	Engineering & Technical Disciplines
Manager	BS + 10 yrs	Aerospace Systems Engineering, Mission Systems Engineering, Flight Systems Engineering, Multi disciplinary Analysis, Guidance, Navigation and Control, Integration and Test Mission Operations
Project Manager	BS + 10 yrs	
Consulting Engineer	BS + 15 yrs	Makes decisions and recommendations that are recognized as authoritative and have far-reaching impact on extensive engineering and related activities of the organization.
Senior Engineer/Analyst	BS + 10 yrs	Flight Systems Engineering, Multi-disciplinary Analysis, Guidance, Navigation and Control, Integration and Test, Mission Operations, Aerospace Systems Engineering
Junior Engineer/Analyst	BS + 3 yrs	
Technician	BS + 4 yrs	Integration and Test
Business Specialist II	BS + 6 yrs	Multi-disciplinary Analysis, Computer Systems/Science Project Support, Computer/MIS Support
Business Specialist I	BS + 4 yrs	

Engineering Services Labor Categories (Non-manufacturing)

Engineers at a.i. solutions all hold technical degrees from accredited universities, and have demonstrated experience in related applications of their specific field. a.i. solutions engineers represent nearly every aerospace discipline, as well as spacecraft, launch vehicle and instrument flight systems and mission/ground systems engineering specialties.

Manager

Summary	Directs the performance of a variety of related projects which may be organized by technology, program or client. Oversees the technology development and/or application, marketing and resource allocation within program client base.
Principle Duties & Responsibilities	<ul style="list-style-type: none"> • Responsible for the effective management of funds and personnel, and is accountable for the quality and timely delivery of all contractual items. • Operates within client guidance, contractual limitations, and Company business and policy directives. • Serves as focal point of contact with client regarding program activities. • Ensures that all required resources including manpower, production standards, computer time, and facilities are available for program implementation. • Manages program consisting of multiple projects including project identification, design, development and delivery. • Maintains the development and execution of business opportunities based on broad, general guidance. Responsible for marketing new technology and follow-on business acquisitions • Confers with project manager to provide technical advice and to assist with problem resolution. • May perform other duties as assigned.
Job	Bachelor's Degree or equivalent and 10 years of general experience.*

Specifications	*Six (6) yrs of general experience is considered equivalent to a Bachelor's Degree, Four (4) yrs of general experience + BS/BA is equivalent to a Master's Degree.
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Project Manager

Summary	Manages project operations. Ensures production schedules are met. Ensures system resources are used effectively.
Principle Duties & Responsibilities	<ul style="list-style-type: none"> Coordinates the resolution of production-related problems. Ensures proper relationships are established between customers, teaming partners, and vendors to facilitate the delivery of information technology services. Provides users with computer output. Supervises staff operations.
Job Specifications	<p>Bachelor's Degree or equivalent and 10 years of general experience.*</p> <p>*Six (6) yrs of general experience is considered equivalent to a Bachelor's Degree, Four (4) yrs of general experience + BS/BA is equivalent to a Master's Degree.</p>

Senior Engineer/Analyst

Summary	Performs a variety of engineering tasks, either independently or under supervision, which are broad in nature and are concerned with the design and implementation, including personnel, hardware, software and support facilities and/or other equipment. Supervises team of Engineers through project completion.
Principle Duties & Responsibilities	<ul style="list-style-type: none"> Plans and performs engineering research, design development, and other assignments in conformance with design, engineering and customer specifications. Supervises team of Engineers through project completion. Responsible for major technical/engineering projects of higher complexity and importance than those normally assigned to lower level engineers.

	<ul style="list-style-type: none"> Coordinates the activities of Engineers and Technicians assigned to specific engineering projects. May perform other duties as required.
Job Specifications	<p>Bachelor's Degree or equivalent and 10 years of general experience.*</p> <p>*Six (6) yrs of general experience is considered equivalent to a Bachelor's Degree, Four (4) yrs of general experience + BS/BA is equivalent to a Master's Degree.</p>

Consulting Engineer Level I

Summary	Makes decisions and recommendations that are recognized as authoritative and have far-reaching impact on extensive engineering and related activities of the organization.
Principle Duties & Responsibilities	<ul style="list-style-type: none"> Reviews and analyzes activities within areas of expertise, advises and serves as management and customer consultant on issues, opportunities, challenges, etc. for the most complex technical issues.
Job Specifications	<p>Bachelor's Degree or equivalent and 15 years of related experience.*</p> <p>*Six (6) yrs of related experience is considered equivalent to a Bachelor's Degree, Four (4) yrs of general experience + BS/BA is equivalent to a Master's Degree.</p>

Junior Engineer/Analyst

Summary	Under supervision, assist in defining and executing engineering activities within a project. These activities may consist of planning, performance management, capacity planning, testing and validation, benchmarking, engineering, and development and staffing of an engineering management plan.
Principle Duties & Responsibilities	<ul style="list-style-type: none"> Performs engineering planning, performance management, capacity planning, testing and validation, benchmarking. Development and staffing of an engineering management plan.

	<ul style="list-style-type: none"> • Supports project Engineers, as required. • Analyzes and develops technical documentation detailing the integration and system performance. • May perform other duties as assigned.
Job Specifications	<p>Bachelor's Degree or equivalent and 3 years of general experience.*</p> <p>*Six (6) yrs of general experience is considered equivalent to a Bachelor's Degree, Four (4) yrs of general experience + BS/BA is equivalent to a Master's Degree.</p>

Technician

Summary	Works under supervision to perform a variety of engineering tasks which are broad in nature and are concerned with the design and implementation, including support facilities and/or equipment.
Principle Duties & Responsibilities	<ul style="list-style-type: none"> • Supports the planning and performance of engineering and customer specifications. • Supports the technical/engineering activities related to the development and integration of testing of a project assigned to higher level engineers. • May perform other duties as assigned.
Job Specifications	<p>Bachelor's Degree or equivalent and 4 years of general experience.*</p> <p>*Six (6) yrs of general experience is considered equivalent to a Bachelor's Degree, Four (4) yrs of general experience + BS/BA is equivalent to a Master's Degree.</p>

Business Specialist

Summary	Includes all labor efforts identified as business and finance in nature, including but not limited to project control, finance and accounting, project planning and scheduling, cost estimating.
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Principle Duties & Responsibilities	<ul style="list-style-type: none"> • Performs complex evaluations of existing procedures, process, techniques, models, and/or systems related to management problems or contractual issues which would require a report and recommend solutions. • Duties may include but are not limited to: work breakdown structures, preparing charts, tables, graphs, and diagrams to assist in analyzing problems. • Provides daily supervision and direction to administrative staff.
Job Specifications	<p>Business Specialist I: Bachelor's Degree or equivalent.*</p> <p>Business Specialist II: Bachelor's Degree or equivalent and 6 yrs of general experience.*</p> <p>*Six (6) yrs of general experience is considered equivalent to a Bachelor's Degree, Four (4) yrs of general experience + BS/BA is equivalent to a Master's Degree.</p>

a.i. solutions Special Facilities and Corporate Resources

a.i. solutions corporate headquarters are in Lanham, Maryland. Our facility includes 17,655 sq. ft. of office/engineering design space for the development and testing of software tools for the aerospace industry and commercial marketplace. In the Lanham headquarters space is provided for all aspects of mission design, launch vehicle integration and software development and implementation.

Ordering Procedures for Services

The following is extracted from GSA/FSS RFP No. FCXB-B2-990001-N: Professional Engineering Services

Procedures for services priced on GSA schedules at hourly rates

FAR 8.402 contemplates that GSA may occasionally find it necessary to establish special ordering procedures for individual Federal Supply Schedules or for some Special Item Numbers (SINs) within a Schedule. GSA has established special ordering procedures for services that are priced on Schedule at hourly rates. These special ordering procedures take precedence over the procedures in FAR 8.404.

The GSA has determined that the rates for services contained in the contractor's price list applicable to this schedule are fair and reasonable. However, the ordering office using this contract is responsible for considering the level of effort and mix of labor proposed to perform specific task being ordered and for making a determination that the total firm-fixed price or ceiling price is fair and reasonable. When ordering services, ordering offices shall -

I. Prepare a Request for Quotes:

1. A performance-based statement of work that outlines, at a minimum, the work to be performed, location of work, period of performance, deliverable schedule, applicable standards, acceptance criteria, and any special requirements (i.e., security clearances, travel, special knowledge, etc.) should be prepared.
2. A request for quotes should be prepared which includes the performance-based statement of work and requests the contractors to submit either a firm-fixed price or a ceiling price to provide the services outlined in the statement of work. A firm-fixed price order shall be requested, unless the ordering office makes a determination that it is not possible at the time of placing the order to estimate accurately the extent or duration of the work or to anticipate cost with any reasonable degree of confidence. When such a determination is made, a labor hour or time-and-materials quote may be requested. The firm-fixed price shall be based on the hourly rates in the schedule

contract and shall consider the mix of labor categories and level of effort required to perform the services described in the statement of work. The firm-fixed price of the order should also include any travel costs or other incidental costs related to performance of the services ordered, unless the order provides for reimbursement of travel costs at the rates provided in the Federal Travel or Joint Travel Regulations. A ceiling price must be established for labor-hour and time-and-materials orders.

3. The request for quotes may request the contractors, if necessary or appropriate, to submit a project plan for performing the task and information on the contractor's experience and/or past performance performing similar tasks.
4. The request for quotes shall notify the contractors what basis will be used for selecting the contractor to receive the order. The notice shall include the basis for determining whether the contractors are technically qualified and provide an explanation regarding the intended use of any experience and/or past performance information in determining technical acceptability of responses.

II. Transmit the Request for Quotes to Contractors:

1. Based upon an initial evaluation of catalogs and price lists, the ordering office should identify the contractors that appear to offer the best value (considering the scope of services offered, hourly rates and other factors such as contractors' locations, as appropriate).
2. The request for quotes should be provided to three (3) contractors if the proposed order is estimated to exceed the micro-purchase threshold, but not exceed the maximum order threshold. For proposed orders exceeding the maximum order threshold, the request for quotes should be provided to additional contractors that offer services that will meet the agency's needs. Ordering offices should strive to minimize the contractors' costs associated with responding to requests for quotes for specific orders. Requests should be tailored to the minimum level necessary for adequate evaluation and selection for order placement. Oral presentations should be considered, when possible.

III. Evaluate quotes and select the contractor to receive the order:

After responses have been evaluated against the factors identified in the request for quotes, the order should be placed with the schedule contractor that represents the best value and results in the lowest overall cost alternative (considering price, special qualifications, administrative costs, etc.) to meet the Government's needs.

The establishment of Federal Supply Schedule Blanket Purchase Agreements (BPAs) for recurring services is permitted when the procedures outlined herein are followed. All BPAs for services must define the services that may be ordered under the BPA, along with

delivery or performance time frames, billing procedures, etc. The potential volume of orders under BPAs, regardless of the size of individual orders, may offer the ordering office the opportunity to secure volume discounts. When establishing BPAs ordering offices shall -

Inform contractors in the request for quotes (based on the agency's requirement) if a single BPA or multiple BPAs will be established, and indicate the basis that will be used for selecting the contractors to be awarded the BPAs.

- A. SINGLE BPA:** Generally, a single BPA should be established when the ordering office can define the tasks to be ordered under the BPA and establish a firm-fixed price or ceiling price for individual tasks or services to be ordered. When this occurs, authorized users may place the order directly under the established BPA when the need for service arises. The schedule contractor that represents the best value and results in the lowest overall cost alternative to meet the agency's needs should be awarded the BPA.
- B. MULTIPLE BPAs:** When the ordering office determines multiple BPAs are needed to meet its requirements, the ordering office should determine which contractors can meet any technical qualifications before establishing the BPAs. When multiple BPAs are established, the authorized users must follow the procedures in II.B above, and then place the order with the Schedule contractor that represents the best value and results in the lowest overall cost alternative to meet the agency's needs.

IV. Review BPAs periodically. Such reviews shall be conducted at least annually. The purpose of the review is to determine whether the BPA still represents the best value (considering price, special qualifications, etc.) and results in the lowest overall cost alternative to meet the agency's needs.

V. The ordering office should give preference to small business concerns when two or more contractors can provide the services at the same firm-fixed price or ceiling price.

VI. When the ordering office's requirement involves both products as well as professional services, the ordering office should total the prices for the products and the firm-fixed price for the services and select the contractor that represents the greatest value in terms of meeting the agency's total needs.

VII. The ordering office, at a minimum, should document orders by identifying the contractor the services were purchased from, the services purchased, and the amount paid. If other than a firm-fixed price order is placed, such documentation should include the basis for the determination to use a labor-hour or time-and-materials order. For agency requirements in excess of the micro-purchase threshold, the order file should document the evaluation of Schedule contractors' quotes that formed the basis for the selection of the contractor that received the order and the rationale for any trade-offs made in making the selection.

Procedures for fixed prices on GSA Schedule

The ordering procedures set forth at FAR 8.404 should be used for those services based on fixed prices. The Contractor is advised that based on the specific task identified at the task order level, it may use Clause 552.238-76, Price Reduction, to provide a proposed fixed price to the agency to more accurately reflect the actual work required.

Special Provisions for Task Orders

Agencies may incorporate provisions in their task order that are essential to their requirements (e.g., security clearances, hazardous substances, special handling, key personnel, etc.). These provisions, when required, will be included in individual task orders. Any cost necessary for the contractor to comply with the provision(s) will be included in the task order proposal, unless otherwise prohibited by law.

Contractors are strongly encouraged to price all items in the contract, to the maximum extent practicable.

Contract Terms and Conditions – Commercial Items (MAY 1999)

- a. Inspection/Acceptance. The Contractor shall only tender for acceptance those items that conform to the requirements of this contract. The Government reserves the right to inspect or test any supplies or services that have been tendered for acceptance. The Government may require repair or replacement of nonconforming supplies or reperformance of nonconforming services at no increase in contract price. The Government must exercise its post-acceptance rights (1) within a reasonable time after the defect was discovered or should have been discovered; and (2) before any substantial change occurs in the condition of the item, unless the change is due to the defect in the item.
- b. Assignment. The Contractor or its assignee's rights to be paid amounts due as a result of performance of this contract, may be assigned to a bank, trust company, or other financing institution, including any Federal lending agency in accordance with the Assignment of Claims Act (31 U.S.C. 3727).
- c. Changes. Changes in the terms and conditions of this contract may be made only by written agreement of the parties.
- d. Disputes. This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. 601-613). Failure of the parties to this contract to reach agreement on any request for equitable adjustment, claim, appeal or action arising under or relating to this contract shall be a dispute to be resolved in accordance with the

clause at FAR 52.233-1, Disputes, which is incorporated herein by reference. The Contractor shall proceed diligently with performance of this contract, pending final resolution of any dispute arising under the contract.

- e. Definitions. The clause at FAR 52.202-1, Definitions, is incorporated herein by reference.
- f. Excusable delays. The Contractor shall be liable for default unless nonperformance is caused by an occurrence beyond the reasonable control of the Contractor and without its fault or negligence such as, acts of God or the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, unusually severe weather, and delays of common carriers. The Contractor shall notify the Contracting Officer in writing as soon as it is reasonably possible after the commencement of any excusable delay, setting forth the full particulars in connection therewith, shall remedy such occurrence with all reasonable dispatch, and shall promptly give written notice to the Contracting Officer of the cessation of such occurrence.
- g. Invoice. The Contractor shall submit an original invoice and three copies (or electronic invoice, if authorized,) to the address designated in the contract to receive invoices. An invoice must include-

- (1) Name and address of the Contractor;

- (2) Invoice date;

- (3) Contract number, contract line item number and, if applicable, the order number;

- (4) Description, quantity, unit of measure, unit price and extended price of the items delivered;

- (5) Shipping number and date of shipment including the bill of lading number and weight of shipment if shipped on Government bill of lading

- (6) Terms of any prompt payment discount offered;

- (7) Name and address of official to whom payment is to be sent; and

- (8) Name, title, and phone number of person to be notified in event of defective invoice.

Invoices will be handled in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment. Contractors are encouraged to assign an identification

number to each invoice.

- h. Patent indemnity. The Contractor shall indemnify the Government and its officers, employees and agents against liability, including costs, for actual or alleged direct or contributory infringement of, or inducement to infringe, any United States or foreign patent, trademark or copyright, arising out of the performance of this contract, provided the Contractor is reasonably notified of such claims and proceedings.
- i. Payment. Payment shall be made for items accepted by the Government that have been delivered to the delivery destinations set forth in this contract. The Government will make payment in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment. If the Government makes payment by Electronic Funds Transfer (EFT), see 52.212-5(b) for the appropriate EFT clause. In connection with any discount offered for early payment, time shall be computed from the date of the invoice. For the purpose of computing the discount earned, payment shall be considered to have been made on the date which appears on the payment check or the specified payment date if an electronic funds transfer payment is made.
- j. Risk of Loss. Unless the contract specifically provides otherwise, risk of loss or damage to the supplies provided under this contract shall remain with the Contractor until, and shall pass to the Government upon: (1) Delivery of the supplies to a carrier, if transportation is f.o.b. origin; or (2) Delivery of the supplies to the Government at the destination specified in the contract, if transportation is f.o.b. destination.
- k. Taxes. The contract price includes all applicable Federal, State, and local taxes and duties.
- l. Termination for the Government's convenience. The Government reserves the right to terminate this contract, or any part hereof, for its sole convenience. In the event of such termination, the Contractor shall immediately stop all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work. Subject to the terms of this contract, the Contractor shall be paid a percentage of the contract price reflecting the percentage of the work performed prior to the notice of termination, plus reasonable charges the Contractor can demonstrate to the satisfaction of the Government using its standard record keeping system, have resulted from the termination. The Contractor shall not be required to comply with the cost accounting standards or contract cost principles for this purpose. This paragraph does not give the Government any right to audit the Contractor's records. The Contractor shall not be paid for any work performed or costs incurred which reasonably could have been avoided.
- m. Termination for cause. The Government may terminate this contract, or any part

hereof, for cause in the event of any default by the Contractor, or if the Contractor fails to comply with any contract terms and conditions, or fails to provide the Government, upon request, with adequate assurances of future performance. In the event of termination for cause, the Government shall not be liable to the Contractor for any amount for supplies or services not accepted, and the Contractor shall be liable to the Government for any and all rights and remedies provided by law. If it is determined that the Government improperly terminated this contract for default, such termination shall be deemed a termination for convenience.

- n. Title. Unless specified elsewhere in this contract, title to items furnished under this contract shall pass to the Government upon acceptance, regardless of when or where the Government takes physical possession.
- o. Warranty. The Contractor warrants and implies that the items delivered hereunder are merchantable and fit for use for the particular purpose described in this contract.
- p. Limitation of liability. Except as otherwise provided by an express or implied warranty, the Contractor will not be liable to the Government for consequential damages resulting from any defect or deficiencies in accepted items.
- q. Other compliances. The Contractor shall comply with all applicable Federal, State and local laws, executive orders, rules and regulations applicable to its performance under this contract.
- r. Compliance with laws unique to Government contracts. The Contractor agrees to comply with 31 U.S.C. 1352 relating to limitations on the use of appropriated funds to influence certain Federal contracts; 18 U.S.C. 431 relating to officials not to benefit; 40 U.S.C. 327, et seq., Contract Work Hours and Safety Standards Act; 41 U.S.C. 51-58, Anti-Kickback Act of 1986; 41 U.S.C. 265 and 10 U.S.C. 2409 relating to whistleblower protections; 49 U.S.C. 40118, Fly American; and 41 U.S.C. 423 relating to procurement integrity.
- s. Order of precedence. Any inconsistencies in this solicitation or contract shall be resolved by giving precedence in the following order: (1) the schedule of supplies/services; (2) the Assignments, Disputes, Payments, Invoice, Other Compliances, and Compliance with Laws Unique to Government Contracts paragraphs of this clause; (3) the clause at 52.212-5; (4) addenda to this solicitation or contract, including any license agreements for computer software; (5) solicitation provisions if this is a solicitation; (6) other paragraphs of this clause; (7) the Standard Form 1449; (8) other documents, exhibits, and attachments; and (9) the specification.

Teaming Arrangements

Contractor Team Arrangement And Federal Supply Schedules

In the spirit of the Federal Acquisition Streamlining Act, all Federal agencies have been encouraged to facilitate innovative contracting/acquisition approaches. FAR Part 1.102 provides Guiding Principles on the Federal Acquisition System, outlining what the System will achieve --

- Satisfy the customer (cost, quality and timeliness of delivery)
- Maximize use of commercial products and services
- Consider contractor's past performance
- Promoting competition
- Minimize administrative costs
- Conduct business with integrity, fairness and openness
- Fulfill public policy objectives

The Federal Supply Schedule program is a source customers may use to achieve what the System has outlined for Acquisition Teams to follow.

Each member of the "Acquisition Team" is to exercise personal initiative and sound business judgment and is responsible for making acquisition decisions that deliver the best value product or service to meet the customers' needs. FAR 1.102-4 further empowers Government Team members to make acquisition decisions within their areas of responsibility including selection, negotiation and administration. The contracting officer has the authority to the maximum extent practical, to determine the applications of rules, regulations, and policies.

In light of these changes, Federal Supply Schedule customers may refer to FAR 9.6 -

Contractors Team Arrangements. The policy and procedures outlined in this part will provide more flexibility and allow innovative acquisition methods when using the Federal Supply Schedules. Customers are encouraged to review this section and should note this is permissible after contract award. Team Arrangements combined with the Federal Supply Schedule Program provides Federal customers a powerful commercial acquisition strategy.

Basic Guidelines For Using "Contractor Team Arrangements"

Federal Supply Schedule contractors may use "Contractor Team Arrangements" (see FAR 9.6) to provide solutions when responding to a customer agency requirements.

These Team Arrangements can be included under a Blanket Purchase Agreement (BPA). BPA's are permitted under all Federal Supply Schedule contracts.

Orders under a Team Arrangement are subject to terms and conditions of the Federal Supply Schedule contract.

Participation in a Team Arrangement is limited to Federal Supply Schedule contractors.

Customers should refer to FAR 9.6 for specific details on Team Arrangements.

Here is a general outline on how it works:

- The customer identifies their requirements.
- Federal Supply Schedule contractors may individually meet the customers needs or -
- Federal Supply Schedule contracts may submit a Schedules "Team Solution" to meet the customer's requirement.
- Customers make a best value selection.